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LICENSE AGREEMENT

This Agreement is made and entered into this ____ day Decem (the Effective Date), by and between CHILDREN'S MEDICAL CENTER CORPOR corporation duly organized and existing under the laws of the Commonw Massachusetts and having its principal office at 300 Longwood Avenue, Massachusetts, 02115, U.S.A. (hereinafter referred to as CMCC), and E INC., a corporation duly organized under the laws of Maryland and hav principal office at 9610 Medical Center Drive, Suite 200, Rockville, (hereinafter referred to as LICENSEE).

WITNESSETH

WHEREAS, CMCC is the owner of certain "Patent Rights" (as is defined herein) relating to CMCC Case No. 474, "Endostatin, An Inhibi Angiogenesis" (US. Patent Applications listed in Exhibit A attached h has the right to grant licenses under said Patent Rights;

WHEREAS, CMCC desires to have the Patent Rights utilized in interest and is willing to grant a license thereunder;

WHEREAS, LICENSEE has represented to CMCC, to induce CMCC to into this Agreement, that LICENSEE is capable of the development, prc manufacture, marketing and sale of products similar to the "Licensed Product(s)" (as later defined herein) and/or the use of the "Licensed Process(es)" (as later defined herein) and that it shall commit itsel thorough, vigorous and diligent program of exploiting the Patent Righ public utilization shall result therefrom; and

WHEREAS, LICENSEE desires to obtain a license under the Pate upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein, the parties hereto agree as follows:

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ARTICLE I - DEFINITIONS

For the purpose of this Agreement, the following words and phrases shall have the following meanings:

- 1.1 "LICENSEE" shall mean EntreMed, Inc. and any Subsidiary or joint venture of EntreMed, Inc.
- 1.2 "Sublicensee" shall mean any corporation, partnership or business organization which is not controlled directly or indirectly by LICENSEE but to whom LICENSEE transfers know-how, rights or technology to enable said party to sell Licensed Products and/or License Processes.
- 1.3 "Subsidiary" shall mean any corporation, company or other entity more than fifty percent (50%) of whose voting stock is owned or controlled directly or indirectly by LICENSEE
- 1.4 "Patent Rights" shall mean all of the following CMCC intellectual property:
 - 1.4.1. The United States and foreign patents and/or patent applications listed in Appendix A;
 - 1.4.2. United States and foreign patents issued from the applications listed in Appendix A and from divisionals and continuations of these applications;
 - 1.4.3. Claims of U.S. and foreign continuation-in-part applications and of the resulting patents, which are directed to matters specifically described in the U.S. and foreign patent applications listed in Appendix A;
 - 1.4.4. Claims of all later filed foreign patent applications and of the resulting patents, which are directed to subject matters specifically described in the United States patent applications described in (a), (b), or (c) above;
 - 1.4.5. Any reissues of United States patents described in (a), (b), (c), or (d) above.

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- 1.5 A "Licensed Product" shall mean any product or part thereof
 - 1.5.1. Is covered in whole or in part by an issued, unexpired or a pending claim contained in the Patent Rights in the country in which any Licensed Product is made, used, or sold;
 - 1.5.2. Is manufactured by using a process which is covered by a patent right in the country in which the Licensed Product is made, used, or sold;

or in part by an issued, unexpired claim or a pending claim contained in the Patent Rights in the country in which the Licensed Process is used or in which the Licensed Product is used or sold.

- 1.6 A "Licensed Process" shall mean any process which is covered or in part by an issued, unexpired claim or a pending claim in the Patent Rights.
- 1.7 "Net Sales" shall mean the gross amount invoiced for all sales of Licensed Products by LICENSEE, its Subsidiaries or its Sublicensees:
- 1.7.1. trade, quantity and cash discounts, allowed, incurred actually taken;
 - 1.7.2. sales taxes directly related to the sale to the extent included in the gross invoice price;
 - 1.7.3. the portion of freight, postage and shipping insurance expenses paid by LICENSEE;
 - 1.7.4. value added tax, sales or turnover tax, or excise taxes and duties which are included in said invoiced amount;
 - 1.7.5. rebates accrued, incurred or paid to Federal Medicaid, Medicare and amounts exactly repaid or credited by reason of rejections or the return of Licensed Products (due to expiration or other reasons) and retroactive deductions;
 - 1.7.6. cost of export licenses and any taxes, fees or other charges associated with the exportation or importation of Licensed Products.

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- 1.7.7 No deductions shall be made for commissions paid to individuals employed by LICENSEE and on its payroll, the cost of collections.
- 1.7.8 Licensed Products shall be considered "sold" when billed and invoiced.

ARTICLE II - GRANT OF LICENSE

- 2.1 CMCC hereby grants to LICENSEE the exclusive worldwide right to make, have made, use, lease and sell the Licensed Process and to practice the Licensed Processes to the end of the term for which the Patent Rights are granted unless sooner terminated to the terms hereof. CMCC shall retain a royalty-free, nonexclusive, irrevocable license to practice the Patent Rights for research purposes only.
- 2.2 LICENSEE agrees that it will use its best efforts to manufacture substantially in the United States the Licensed Products leased or sold in the United States.
- 2.3 To establish exclusivity for LICENSEE, CMCC hereby agrees that it shall not grant any other license to make, have made, use, lease and/or sell Licensed Products or to utilize Licensed Processes.

the period of time in which this Agreement is in effect.

- 2.4 LICENSEE shall have the right to enter into sublicensing agreements for the rights, privileges, and licenses granted hereunder. sublicenses will expire upon the expiration of LICENSEE's rights granted herein.

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- 2.5 LICENSEE agrees that any sublicense granted by it shall provide the obligations to CMCC of Articles II, V, VII, VIII, IX, X, XIII, and XV of this Agreement shall be binding upon the sublicensee as if it were a party to this Agreement. LICENSEE further agrees to attach copies of these Articles to sublicense agreements. If LICENSEE hereby agrees that every sublicensing agreement to which it shall be a party and which shall relate to the rights, privileges granted hereunder shall contain a statement setting forth the event or date upon which LICENSEE's exclusive rights, privileges granted hereunder shall terminate.

- 2.6 LICENSEE agrees to forward to CMCC a copy of any and all full executed sublicense agreements, and further agrees to forward annually a copy of such reports received by LICENSEE from its sublicensees during the preceding twelve (12) month period to CMCC as shall be pertinent to a royalty accounting under sublicense agreements.

- 2.7 LICENSEE shall not receive from sublicensees anything of value in cash payments based upon payment obligations of any sublicensee under this Agreement, without the express prior written permission of CMCC.

- 2.8 The license granted hereunder shall not be construed to confer any rights upon LICENSEE by implication, estoppel or otherwise in any technology not specifically set forth in Appendix A hereof.

- 2.9 LICENSEE agrees, to the best of its ability, to adhere to Patents 96-517 and 98-620.

ARTICLE III - DUE DILIGENCE

- 3.1 LICENSEE shall use its best efforts to bring one or more Licensed Products or Licensed Processes to market through a thorough, and diligent program for exploitation of the Patent Rights. Thereafter, LICENSEE agrees that until expiration or termination of this Agreement, LICENSEE shall continue active and diligent efforts to keep Licensed Products and/or Licensed Processes reasonably available to the public. CMCC agrees that LICENSEE

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shall have complete control of all regulatory submissions of Licensed Products to the appropriate regulatory agencies worldwide. If at any time LICENSEE decides not to exploit a licensed Patent Right,

shall promptly inform CMCC in writing and shall surrender to license to that Patent Right. Only one payment will be made of the milestones recited under 3.1.1, 3.1.2, 3.1.3 and 3.1.4. The Licensee shall be demonstrated by attaining the following milestones:

- 3.1.1 -within 5 years of the Effective Date, the filing of the U.S. for a Licensed Product by LICENSEE;
- 3.1.2 -within 6.5 years of the Effective Date, the initiation of Phase II trials of a Licensed Product;
- 3.1.3 -within 8.5 years of the Effective Date, the initiation of Phase III trials of a Licensed Product; and
- 3.1.4 -within 11 years of the Effective Date, the submission of an NDA or similar application to gain regulatory approval for marketing of a Licensed Product; and by continuing to conduct of related preclinical studies at Children's Hospital of Philadelphia appropriate.

- 3.2 LICENSEE acknowledges that, prior to attaining the first milestone 3.1.1 above, additional activities must be undertaken including but not limited to: 1) development of a plan describing the scientific and technical goals to be accomplished prior to attaining the milestone of 3.1.1 and allocation of the LICENSEE resources, either internal or contracted, that will be applied in accomplishing the goals, 2) confirmation of the antitumor activity of one or more Licensed Products in one or more animal models, 3) development of processes for manufacturing one or more Licensed Products or capable of producing sufficient material for testing and evaluation, 4) conduct of preclinical toxicology and pharmacology studies to determine whether Licensee or a sublicensee will be in clinical trials. Licensee agrees to keep CMCC reasonably informed of the additional activities by preparing at least annually a

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<PAGE> 8 written summary of the activities planned and completed and holding on at least annually a meeting with CMCC representative to review progress to date.

- 3.3 LICENSEE acknowledges that the primary objective of CMCC in this License Agreement is to promote the development and marketing of Licensed Products and Processes for the public good. To this end, CMCC shall have the right to terminate this Agreement pursuant to Article 13.3 below if LICENSEE fails to attain any of the above milestones more than six (6) months after the milestone time period because of business circumstances such as merger, acquisition or the like. However, if LICENSEE can demonstrate to the satisfaction of CMCC's sole discretion, that circumstances beyond LICENSEE's control precluded LICENSEE from fulfilling its diligence obligations, it is unlikely that any third party could overcome these circumstances better than LICENSEE, then CMCC shall not exercise its termination rights under this Article for one year from the date on which Licensee gives notice of termination and if LICENSEE reestablishes diligence towards its objectives during this one year period, any prior termination will be deemed cured.

ARTICLE IV - PAYMENTS AND ROYALTIES

- 4.1 For the rights, privileges and license granted hereunder, LI shall pay to CMCC in the manner hereinafter provided to the term of the Patent Rights or until this Agreement shall be terminated as hereinafter provided, whether the milestones are achieved sponsorship of LICENSEE or a sublicensee, the following milestone payments totaling \$1,000,000 (one million dollars):
- 4.1.1 -\$50,000 (fifty thousand dollars) due four (4) months date of execution of this Agreement;
- 4.1.2 -\$100,000 (one hundred thousand dollars) due upon ir of the first Phase I/II IND (Investigational New Drug application) clinical trials for any indication;
- 4.1.3 -\$350,000 (three hundred and fifty thousand dollars) completion of a Phase II clinical trials for any indication and
- 4.1.4 -\$500,000 (five hundred thousand dollars) due upon issuance of a PLA (Product License Application) or NDA (New Drug Application) for any indication.

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The information below marked by [****] has been omitted pursuant to a for confidential treatment. The omitted portion has been separately filed with the Commission.

- 4.2 A royalty based on the Net Sales Price of the Licensed Product Licensed Processes used, leased or sold by LICENSEE or a joint venture in which LICENSEE is involved, which said royalty shall be based on Net Sales Price.
- 4.3 Where sublicenses have been granted or strategic partnership entered into, EntreMed shall pay to CMCC [****] of any and all sublicense payments. Sublicensing payments are defined as any and all payments made to EntreMed by the Sublicensee or strategic partner except payments to support research and development conducted by EntreMed for purchases of equity or for payments for goods and services. EntreMed shall pay to CMCC [****] of the royalty income paid to EntreMed up to \$100,000,000 of cumulative Net Sales of the Licensed Product and, after \$100,000,000 of cumulative Net Sales, EntreMed shall pay to CMCC [****] of royalty payments to EntreMed from the Sublicensee with a minimum of [****] of net sales of the Licensed Product made by the Sublicensee.
- 4.4 No multiple royalties shall be payable because any Licensed Product, its manufacture, use, lease or sale are or shall be covered by more than one Patent Rights Patent Application or Patent Rights Patent licensed under this Agreement.
- 4.5 Royalty payments shall be paid in United States dollars in the State of Massachusetts, or at such other place as CMCC may reasonably determine consistent with the laws and regulations controlling in any country. If any currency conversion shall be required in connection with the payment of royalties hereunder, such conversion shall be by using the exchange rate prevailing at the Bank of Boston on the last business day of the calendar quarterly reporting period to which such royalty payments relate.

ARTICLE V -- REPORTS AND RECORDS

- 5.1 LICENSEE shall keep full, true and accurate books of account containing all particulars that may be necessary for the purpose of showing the amounts payable to CMCC hereunder. Said books of account shall be kept at LICENSEE's principal place of business or its principal place of business of the appropriate Division of

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LICENSEE to which this Agreement relates. Said books and the supporting data shall be open at all reasonable times for five years following the end of the calendar year to which they pertain for the inspection of CMCC or its agents for the purpose of verifying LICENSEE's royalty statement or compliance in other respects with this Agreement. CMCC can request auditing of said books and data no more than once each calendar year.
- 5.2. LICENSEE, within forty-five (45) days after the initial sale sublicense of the product on March 31, June 30, September 30 and December 31, of each year, shall deliver to CMCC true and accurate reports, giving such particulars of the business conducted by it and its sublicensees during the preceding three month period as shall be pertinent to a royalty accounting hereunder. These shall include at least the following:
- 5.2.1 Number of Licensed Products manufactured and sold.
 - 5.2.2 Total billings for Licensed Products sold.
 - 5.2.3 Accounting for all Licensed Products used or sold.
 - 5.2.4 Deductions applicable as provided in Paragraph 1.7
 - 5.2.5 Total royalties due.
 - 5.2.6 Names and addresses of all sublicensees of LICENSEE.
- 5.3 With each such report submitted, LICENSEE shall pay to CMCC royalties due and payable under this Agreement. If no royalty is due after the initial sublicense agreement or sale, LICENSEE shall so report. On or before the ninetieth (90th) day following the end of LICENSEE's fiscal year, LICENSEE shall provide CMCC with certified financial statements for the preceding fiscal year including, at a minimum, a Balance Sheet and an Operating Statement.
- 5.4 The royalty payments set forth in this Agreement shall, if they do not bear interest until payment at a per annum rate of two percent above the prime rate in effect at the Bank of Boston on the date of payment. The payment of such interest shall not foreclose CMCC from exercising any other rights it may have as a consequence of the late payment.

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ARTICLE VI -- PATENT PROSECUTION

- 6.1 CMCC and LICENSEE shall apply for, seek prompt issuance of, maintain during the term of this Agreement the Patent Rights in Appendix A. The prosecution, filing and maintenance of all Rights Patents and Applications shall be the primary responsibility of LICENSEE; with appropriate and timely review and approval by LICENSEE shall solicit CMCC's comment prior to any significant action required during filing, prosecution, and maintenance and provide with drafts of proposed actions and responses in advance and copies after the action is completed. If CMCC elects to consult with patent attorneys more than is considered necessary and reasonable, such consultation shall be at CMCC's expense.
- 6.2 Payment of all fees and costs relating to the filing, prosecution and maintenance of the Patent Rights shall be the responsibility of LICENSEE, whether such fees and costs were incurred before or after the date of this Agreement.

ARTICLE VII - INFRINGEMENT

- 7.1 LICENSEE shall inform CMCC promptly in writing of any alleged infringement of the Patent Rights by a third party and of any available evidence thereof.
- 7.2 If at any time during the term of this Agreement, LICENSEE fails to inform CMCC reasonably convincing written evidence of an infringing patent included in the Patent Rights covering the Inventions adversely and substantially affects the commercial operation of LICENSEE in the country where the infringement of the patent is occurring, under the license granted hereunder, and CMCC shall have the right to sue for infringement of the patent within three (3) months after receipt of such evidence (the three month period) fail to cause such infringement to terminate or to bring suit or action to compel termination, then payment of one half of the royalties and one half (1/2) minimum amounts which are payable to CMCC on Net Sales by licensee or sublicensees under the license shall be waived in the country of the infringement as such infringement continues; provided, however, that such waiver and minimum amounts shall not be waived so long as at least one suit or action is being prosecuted by CMCC for infringement of a patent in the country in which the infringement of the patent is occurring covering the

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Inventions. In no event shall such waiver of royalties and minimum amounts exceed 50% of the royalties and minimum amounts payable hereunder.
- 7.3 If after the three month period, CMCC fails to cause such infringement to terminate or to bring a suit or action to compel termination, LICENSEE shall have the right, but not the obligation, to bring suit or action to compel termination at LICENSEE's expense. LICENSEE independently shall have the right to join any such suit or action brought by LICENSEE and, in such event, no settlement, compromise, judgment or other voluntary final disposition of the suit may be entered into without the consent of CMCC which consent shall not be unreasonably withheld. Any damages recovered by suit or action shall be first used to reimburse each party hereto for the costs of such suit or action (including attorney's fees) actually paid by each party hereto as the case may be, then to reimburse CMCC for

royalties and minimum royalties waived under this Section 7. residue, if any, shall be belong to the party responsible for prosecution of the suit.

- 7.4 In the event that LICENSEE shall undertake the enforcement a defense of the Patent Rights by litigation, LICENSEE may wit to fifty percent (50%) of the royalties otherwise thereafter hereunder and apply the same toward reimbursement of its exp including reasonable attorneys' fees, in connection therewith recovery of damages by LICENSEE for any such suit shall be a first in satisfaction of any unreimbursed expenses and legal LICENSEE relating to the suit, next toward reimbursement of any royalties past due or withheld and applied pursuant to t Article VII, and to royalties due to CMCC for infringing sal sales had been made by LICENSEE. The balance remaining from recovery shall belong to LICENSEE.
- 7.5 In the event that a declaratory judgment action alleging inv non-infringement of any of the Patent Rights shall be brough LICENSEE, CMCC, at its option, shall have the right, within (30) days after commencement of such action, to intervene ar over the sole defense of the action at its own expense.

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- 7.6 If, for any reason, LICENSEE should choose not undertake the enforcement and/or defense of the Patent Rights by litigati the three month period, CMCC shall have the right, but not t obligation, to prosecute, at its own expense, any such infri of the Patent Rights and, in furtherance of such right, CMCC agrees that LICENSEE may join CMCC as a party plaintiff in a suit, without expense to LICENSEE. The total cost of any su infringement action commenced or defended solely by CMCC sha borne by CMCC and CMCC shall keep any recovery or damages fr infringement derived therefrom.
- 7.7 In any infringement suit as either party may institute to er Patent Rights pursuant to this Agreement, the other party h shall, at the request and the expense of the party initiati suit, cooperate in all respects and, to the extent possible, employees testify when requested and make available relevant papers, information, samples, specimens, and the like.
- 7.8 LICENSEE, during the period of this Agreement, shall have th right in accordance with the terms and conditions herein to any alleged infringer for future use of the Patent Rights.

ARTICLE VIII - INDEMNIFICATION, PRODUCT LIABILITY AND INSURAN

8.1. Indemnification

- 8.1.1 LICENSEE shall indemnify, defend and hold harmless C its trustees, officers, medical and professional sta employees, and agents and their respective successor and assigns (the "Indemnitees"), against any liabili damage, loss or expense (including reasonable attorrr and expenses of litigation) incurred by or imposed u Indemnitees or any one of them in connection with ar suits, actions, demands or judgments arising out of of product liability (including, but not limited to,

in the form of tort, warranty, or strict liability) any product, process or service made, used or sold or any right or license granted under this Agreement.

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8.1.2 LICENSEE's indemnification under (a) above shall not any liability, damage, loss or expense to the extent is directly attributable to the negligent activities misconduct or intentional misconduct of the Indemnit

8.1.3 LICENSEE agrees, at its own expense, to provide attc reasonably acceptable to CMCC to defend against any brought or filed against any party indemnified hereu respect to the subject of indemnity contained herein or not such actions are rightfully brought.

8.1.4 CMCC shall indemnify, defend and hold harmless Licer any damage, loss or expense to the extent that it is attributable to the negligent activities, reckless n or intentional misconduct of the employees or subcc of CMCC.

8.1.5 This Section 8.1 shall survive expiration or termina this Agreement.

8.2. Insurance

8.2.1 Beginning at the time as any such product, process c is being commercially distributed or sold (other tha purpose of obtaining regulatory approvals) by LICENS publicensee, affiliate or agent of LICENSEE, LICENSE at its sole cost and expense, procure and maintain comprehensive general liability insurance in amounts than \$2,000,000 per incident and \$2,000,000 annual a and naming the Indemnitees as additional insureds. S comprehensive general liability insurance shall prov

8.2.1.1 product liability coverage and

8.2.1.2 broad form contractual liability coverage f LICENSEE's indemnification under Section 8. Agreement. If LICENSEE elects to selfinsure part of the limits described

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above (including deductibles or retentions in excess of \$250,000 annual aggregate) suc self-insurance program must be acceptable t and the Risk Management Foundation of the H Medical Institutions, Inc. The minimum amou insurance coverage required under this Sect shall not be construed to create a limit of LICENSEE's liability with respect to its indemnification under Section 8.1 of this A

- 8.2.2 LICENSEE shall provide CMCC with written evidence of insurance upon request of CMCC. LICENSEE shall provide with written notice at least forty-five (45) days prior to any material change in such insurance. If the insurance is canceled and if LICENSEE does not obtain replacement providing comparable coverage within such forty-five period, CMCC shall have the right to terminate this agreement effective at the end of such forty-five (45) day period providing notice of CMCC's intent to do so.
- 8.2.3 LICENSEE shall maintain such comprehensive general liability insurance during
- 8.2.3.1 the period that any such product, process or service is being commercially distributed or sold (including for the purpose of obtaining regulatory approval) by LICENSEE or by a sublicensee, affiliate or subsidiary of LICENSEE, and
- 8.2.3.2 a reasonable period after the period referred to in 8.2.3.1 above which in no event shall be less than five (5) years.
- 8.2.4 This ARTICLE 8.2 shall survive expiration or termination of this Agreement.

ARTICLE IX -- EXPORT CONTROLS

It is understood that CMCC is subject to United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities (including Arms Export Control Act, as amended and the Export Administration Act of 1979), and that its obligations hereunder are contingent upon compliance with applicable United States export laws and regulations. The transfer of certain technical data and commodities may require a license from the cognizant agency of the United States Government and/or written assurances by LICENSEE that LICENSEE shall not use data or commodities to certain foreign countries without prior approval of such agency. CMCC neither represents that a license will be required nor that, if required, it shall be issued.

ARTICLE X -- NON-USE OF NAMES

LICENSEE shall not use the names of the Children's Medical Center Corporation nor of any of its employees, nor any adaptation thereof in any advertising, promotional or sales literature without written consent obtained from CMCC in each case except that CMCC may state that it is licensed by CMCC under one or more of its trademarks and/or applications comprising the Patent Rights, and LICENSEE shall comply with disclosure requirements of all applicable laws and regulations in its business, including United States and state security laws.

ARTICLE XI -- ASSIGNMENT

Subject to the restrictions set forth herein, this Agreement, and every provision hereof, shall be binding upon LICENSEE and its successors to the benefit of the parties, their respective successors,

successors-in-title, heirs and assigns, and each and every successor-in-interest to any party, whether such successor a such interest by way of gift, inheritance, purchase, foreclic by any other method, shall hold such interest subject to all and provisions of this Agreement; provided however that LICE not assign or transfer the whole or any part of this Agreeeme rights hereunder without the express written agreement of CM agreement shall not be unreasonably withheld.

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ARTICLE XII -- ARBITRATION

12.1 Any and all claims, disputes or controversies arising under, or in connection with this Agreement, which have not been re good faith negotiations between the parties, shall be resolv final and binding arbitration in Boston, Massachusetts, unde arbitration rules of the American Arbitration Association th obtaining. The arbitrators shall have no power to add to, su from or modify any of the terms or conditions of this Agreeem award rendered in such arbitration may be enforced by either either the courts of the Commonwealth of Massachusetts or in United States District Court for the District of Massachuset whose jurisdiction for such purposes CMCC and LICENSEE each irrevocably consents and submits.

12.2 Notwithstanding the foregoing, nothing in this Article shall construed to waive any rights or timely performance of any c existing under this Agreement.

ARTICLE XIII -- TERM AND TERMINATION

13.1 Unless earlier terminated as hereinafter provided, this Agree shall remain in full force and effect for the life of the la expire patent issued under the Patent Rights.

13.2 If LICENSEE shall cease to carry on its business, this Agree terminate upon notice by CMCC.

13.3 Should LICENSEE fail to pay CMCC royalties due and payable b CMCC shall have the right to terminate this Agreement on six days' notice, unless LICENSEE shall pay CMCC within the sixt period, all such royalties and interest due and payable. Upc expiration of the sixty (60) day period, if LICENSEE shall paid all such royalties and interest due and payable, the ri privileges and license granted hereunder shall terminate.

13.4 Upon any material breach or default of this Agreement by LIC other than those occurrences set out in Paragraphs 13.2 and herein above, which shall always take precedence in that ord any material breach or default referred to in this Paragraph CMCC shall have the right to terminate this Agreement

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and the rights, privileges and license granted hereunder by

(90) days' notice to LICENSEE. Such termination shall become unless LICENSEE shall have cured any such breach or default the expiration of the ninety (90) day period.

13.5 LICENSEE shall have the right to terminate this Agreement at on six (6) months' notice to CMCC, and upon payment of all a CMCC through the effective date of termination.

13.6 Upon termination of this Agreement for any reason, nothing h shall be construed to release either party from any obligati matured prior to the effective date of such termination. LIC any sublicensee thereof may, however, after the effective da termination, sell all Licensed Products, and complete Licens Products in the process of manufacture at the time of such t and sell the same, provided that LICENSEE shall pay to CMCC royalties thereon as required by Article IV of this Agreeer shall submit the reports required by Article V hereof on the Licensed Products.

13.7 CMCC agrees that if LICENSEE has provided to CMCC notice tha has granted a sublicense to a sublicensee under this Agreee in the event CMCC terminates this Agreement for any reason, provide to such sublicensee no less than thirty (30) days pr effective date of said termination, written notice of said t at the address specified by LICENSEE to CMCC in LICENSEE's r CMCC under Article XIV. CMCC agrees that upon the sublicense as described below and provided the sublicensee is not in br its sublicense, CMCC shall grant to such sublicensee license and terms equivalent to the sublicense rights and terms whic sublicense shall have granted to said sublicensee; provided sublicensee shall remain a sublicensee under this Agreement period of at least sixty (60) days following receipt of noti CMCC. Sublicensees shall during said sixty (60) day period pr CMCC notice wherein the sublicensee;

13.7.1 reaffirms the terms and conditions of this Agreement relates to the rights the sublicensee has been grant the sublicense;

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13.7.2 agrees to abide by all of the terms and conditions c Agreement applicable to sublicensees and to discharg all pertinent obligations of LICENSEE which LICENSEE obligated hereunder to discharge excluding any finar obligations; and

13.7.3 acknowledges that CMCC shall have no obligations to sublicensee other than its obligations set forth in Agreement with regard to LICENSEE.

ARTICLE XIV -- PAYMENTS, NOTICES, AND OTHER COMMUNICATIONS

Any payment, notice or other communication pursuant to this Agreement sufficiently made or given on the date of the mailing if sent to such certified first class mail, postage prepaid, addressed to it at its a below or as it shall designate by written notice given to the other p

In the case of CMCC:

Director, Technology Transfer Office
Office of Research Administration
THE CHILDREN'S HOSPITAL
300 Longwood Avenue
Boston, MA 02115

In the case of LICENSEE:

John W. Holaday, Ph.D.
Chief Executive Officer
ENTREMED, INC.
9610 Medical Center Drive, Suite 200
Rockville, MD 20850

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With copy to:

James Dean Johnson, Ph.D.
JONES & ASKEW
37th Floor
191 Peachtree Street
Atlanta, GA 30303

ARTICLE XV -- MISCELLANEOUS PROVISIONS

- 15.1 This Agreement shall be construed, governed, interpreted and in accordance with the laws of the Commonwealth of Massachusetts U.S.A., except that questions affecting the construction and any patent shall be determined by the law of the country in patent was granted.
- 15.2 The parties hereto acknowledge that this Agreement sets forth entire Agreement and understanding of the parties hereto as subject matter hereof, and shall not be subject to any change modification except by the execution of a written instrument subscribed to by the parties hereto.
- 15.3 The provisions of this Agreement are severable, and in the event any provisions of this Agreement shall be determined to be unenforceable under any controlling body of law, such invalid unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.
- 15.4 LICENSEE agrees to mark the Licensed Products sold in the United States with all applicable United States patent numbers. All Products shipped to or sold in other countries shall be marked in a manner as to conform with the patent laws and practice of country of manufacture or sale.
- 15.5 The failure of either party to assert a right hereunder or to comply with any term or condition of this Agreement shall constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other party.

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IN WITNESS WHEREOF this Agreement has been executed in duplicate of the parties hereto by their respective authorized officers date first written above.

CHILDREN'S MEDICAL CENTER CORPORATION

Name /s/ William New

Title Vice President, Research Administration

Date Novmeber 29, 1996

ENTREMED, INC.

Name /s/ John W. Holaday, PhD.

Title Chairman, CEO and President

Date December 5, 1996

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Appendix A

CMCC No.: 474

Inventors: J. Folkman, M. O'Reilly

Title: Endostatin: an Endogenous Inhibitor of Angiogenesis and Growth

Filings:

<TABLE>

<CAPTION>

Country	Date Filed	Serial No.	Type	J
<S>	<C>	<C>	<C>	<
USA	10/23/95	60/005,835	Provsnl	0
USA	8/2/96	tbd	Provsnl	0
USA	10/22/96	tbd	Parent	0
PCT	10/22/96	tbd	Internatl	0

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